

# LAND DISPOSITION REPORT

## COMMON COUNCIL OF THE CITY OF MILWAUKEE

### DATE

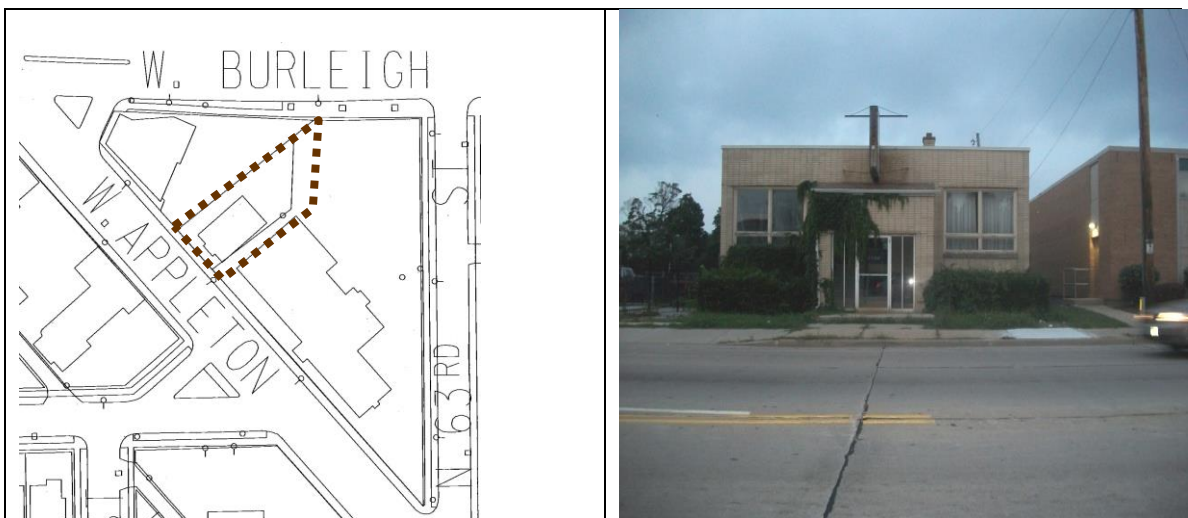
May 17, 2016

### RESPONSIBLE STAFF

Dwayne Edwards, Program Manager, DCD

### PARCEL ADDRESS AND DESCRIPTION

6330 West Appleton Avenue ("Property"): A 3,890 SF mixed-use brick and concrete block building built in 1960. The building is on an approximately 5,787 SF parcel, with a side drive and parking in the rear. The parcel was acquired by the City on July 26, 2010 through property tax-foreclosure.



### BUYER

Kleen Kutz, LLC ("Buyer") is solely-owned and managed by LaMarcus Vinson, who will purchase, rehabilitate and transform a vacant City-owned commercial mixed-use property into an upscale beauty salon and barbershop on the main level of the property, with apartments on the upper level. The Buyer has over 15 years of barbering experience, which includes operating Prestige Barbershop in Milwaukee for 6 years. The apartments will be renovated with modern updates. One unit will be a market-rate rental unit. The Buyer plans to convert the two smaller units for his personal residence.

A small retail barber supply business is also envisioned by Mr. Vinson to sell hair care products to a growing clientele. The Buyer also plans to provide continuing education classes and workshops for aspiring barbers and salon technicians seeking career opportunities.

### PROJECT DESCRIPTION

The Buyer proposes to renovate the building's exterior and interior with new materials, including high-efficiency supplies from local home improvement venues. The property will include modern improvements in the business space and the residential apartments. The Buyer's estimated rehabilitation costs will be approximately \$62,000. Plans call for a new roof, mechanicals, HVAC,

plumbing, updated electrical service, windows, painting, dry wall, flooring, signage, etc. The Buyer plans to do a portion of the work through "sweat equity" and will use relationships with local tradespeople to put the property back on the City's tax rolls within 12 months. Complete site, operations and scope of work for redevelopment of the property were reviewed by staff and recommended to move forward.

**PURCHASE TERMS AND CONDITIONS**

The purchase price is \$15,000, which factors in the building's overall condition. The Buyer plans to use the Department of City Development's Facade Grant and White Box programs for interior improvements and new signage. The conveyance will be on an "as is, where is" basis. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status.